

Message Text

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TAGS: ECON, ELAB, CA

SUBJECT: LABOR REACTION TO ANTI-INFLATION ADMINISTRATOR'S RULING

REF: OTTAWA A-112

1. RULING BY ANTI-INFLATION BOARD ADMINISTRATOR TANSLEY ON FEBRUARY 13 ORDERING 9.2 PERCENT ROLL-BACK OF -23.8 PERCENT WAGE INCREASE NEGOTIATED BY IRVING PULP AND PAPER AND CANADIAN PAPERWORKERS UNION AND FINING COMPANY \$125,000 (SEE REPAIR) HAS FURTHER EXACERBATED ORGANIZED LABOR'S HOSTILITY TOWARD ANTI-INFLATION PROGRAM AND BY EXTENSION TOWARD GOC. CANADIAN LABOUR CONGRESS SECRETARY-TREASURER MONTGOMERY TOLD LABATT THAT AIB AMDINISTRATOR'S DECISION WILL BE FOUGHT IN POLITICAL ARENA. PAPERWORKERS UNION HAS APPEALED TO CABINET TO REVERSE AIB ADMINISTRATOR'S RULING. SECONDLY, CLC ASKED NDP LEADER BROADBENT TO REQUEST EMERGENCY DEBATE IN PARLIAMENT ON APPEAL PROCEDURES, WHICH DO NOT PRESENTLY PERMIT UNIONS TO FILE APPEAL. SPECIAL PARLIAMENTARY SESSION HELD FEB. 18 AT WHICH LABOR MINISTER MUNRO INDICATED WILLINGNESS TO REVIEW THAT ASPECT OF ANTI-INFLATION PROGRAM WITHOUT HOWEVER COMMITTING GOC TO ANY SPECIFIC COOURSE OF ACTION.

CLC ALSO PLANS TO CHALLENGE CONSTITUTIIONALITY OF AIB'S ROLL-BACK OF IRVING COMPANY SETTLEMENT AND OF ITS RIGHT

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TO FINE EMPLOYER WHO HAD MET HIS CONTRACTUAL OBLIGATIONS. THIS COURT CHALLENGE IS CONSIDERED OF DUBIOUS VALUE BY

SOME UNION LEADERS IN VIEW OF QUESTIONABLE OUTCOME AND LENGTH OF TIME INVOLVED IN GETTING COURT DECISION. OF MORE IMMEDIATE IMPORTANCE AND CONCERN TO GOC IS CLC EXECUTIVE COMMITTEE DECISION TO REVIEW ITS OVERALL RELATIONSHIP WITH FEDERAL GOVERNMENT. THIS COULD INVOLVE LABOR'S WITHDRAWAL FROM SUCH TRIPARTITE BODIES AS THE ECONOMIC COUNCIL, UNEMPLOYMENT INSURANCE COUNCIL, MANPOWER AND IMMIGRATION COUNCIL AND LABOR MINISTER MUNRO'S PET PROJECT, THE LABOR RELATIONS COUNCIL. FOUR-MEMBER CLC EXECUTIVE COMMITTEE IS SHARPLY DIVIDED ON THIS DRASTIC MOVE AND FOR TIME BEING PRESIDENT MORRIS HAS PREVAILED IN HOLDING OFF DECISION UNTIL CLC EXECUTIVE COUNCIL MEETS IN MARCH. FINALLY CLC IS SCHEDULING MASS DEMONSTRATION PARLIAMENT HILL ON MARCH 22 WHEN IT PRESENTS IT TRADITIONAL ANNUAL MEMORANDUM TO CABINET.

2. COMMENT: OF THE VARIOUS MEASURES PLANNED BY CLC ITS THREAT TO WITHDRAW FROM TRIPARTITE BODIES IS OF MOST CONCERN TO GOVERNMENT. DURING JANUARY 18 PARLIAMENTARY DEBATE LABOR MINISTER URGED LABOR TO REMAIN ON COUNCILS AND TO ENTER INTO DISCUSSIONS WITH GOC ON CONTENTIONS ISSUES. PC LEADER STANFIELD AND NDP'S BROADBENT WARNED GOVERNMENT OF SOCIO-POLITICAL CONSEQUENCES IF LABOR WERE TO PURSUE DETERMINED OPPOSITION COURSE AND THEY CALLED FOR CHANGE IN AIB'S APPEAL PROCEDURE AS NECESSARY STEP TO EASE STRAINED GOVERNMENT-LABOR RELATIONS. PAPERWORKER'S APPEAL TO CABINET TO HAVE AIB RULING IN IRVING SETTLEMENT OVERTURNED IS UNLIKELY TO GET FAVORABLE RESPONSE BECAUSE IT WOULD UNDERMINE AIB'S AUTHORITY (AS HAPPENED WHEN CABINET REJECTED AIB DECISION ON POSTAL SETTLEMENT) AND TRIGGER DEMANDS FOR CONTRACT REOPENINGS SINCE ALL OTHER PAPER INDUSTRY AGREEMENTS NEGOTIATED RECENTLY HAVE IDENTICAL 14 PERCENT LIMIT ON WAGE INCREASES IN FIRST YEAR.
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